

BY REPRESENTATIVE MORRIS

To amend and reenact R.S. 23:108(B)(1) and (C), 111(C)(10) and (11) and (F), and 113 and to enact R.S. 23:108(F) and 111(C)(12), relative to employment services; to provide penalties for violations; to provide a cause of action and legal recourse; to prohibit certain actions by employment services; to provide for penalties for unlicensed persons; and to provide for related matters.

Section 1. R.S. 23:108(B)(1) and (C), 111(C)(10) and (11) and (F), and 113 are hereby amended and reenacted and R.S.23:108(F) and 111(C)(12) are hereby enacted to read as follows:

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\* \* \*

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1 regulation prescribed hereunder, the ~~assistant secretary is authorized to~~ director shall  
2 issue an order to the employment service requiring the refund to be made.

3 \* \* \*

4 F. Any applicant injured by the employment service or by his agents or  
5 employees while acting within the scope of their employment, by reason of an  
6 intentional misrepresentation, fraud or deceit, by reason of any other unlawful act or  
7 omission, or by reason of any other violation of the provisions of this Part made or  
8 committed in connection with the business licensed hereunder, shall have the right  
9 to seek recovery of amounts paid by the applicant to the employment service plus  
10 damages not to exceed twenty-five percent of the fee paid or other relief in any court  
11 of competent jurisdiction. Attorney fees shall be awarded to the prevailing party in  
12 such action.

13 \* \* \*

14 §111. Regulation; restrictions and prohibitions

15 \* \* \*

16 C. An employment service shall not engage in the following conduct:

17 \* \* \*

18 (10) Charge an applicant a fee when the employment service procures  
19 employment for an applicant with a public or governmental employer.

20 ~~(10)~~ (11) Permit an applicant to sign a power of attorney or assignment of  
21 wages, the form of which has not been approved by the office of unemployment  
22 insurance administration. The power of attorney shall be required to include the  
23 following terms and conditions:

24 (a) Any funds received by the employment service as a result of an applicant  
25 signing a power of attorney or assignment of wages shall be placed in an escrow  
26 checking account to be used exclusively for the receipt and disbursement of  
27 applicant's funds. This escrow account shall be kept separate from all other  
28 employment service's accounts. Upon receipt of an applicant's wages, the  
29 employment service shall immediately deposit said funds into the escrow account.

1           The disbursement of any funds received by the employment service as a result of an  
2           applicant signing a power of attorney or assignment of wages shall be specifically  
3           limited as follows:

4                   (i) The employment service may pay to itself the applicable placement fee  
5                   plus legally allowable interest, not to exceed twelve percent per annum, authorized  
6                   by the power of attorney.

7                   (ii) The employment service shall distribute any and all of the remaining  
8                   wages to the applicant.

9                   (b) Upon receiving applicant's wages, the employment service shall promptly  
10                  notify the applicant. The employment service shall deliver to the applicant any funds  
11                  that the applicant is entitled to receive pursuant to the power of attorney agreement  
12                  and, upon written request by the applicant, shall promptly render a full accounting  
13                  regarding such funds.

14                  (c) Complete records of such escrow account funds shall be kept by the  
15                  employment service and shall be preserved for a period of five years from the  
16                  termination of the power of attorney and assignment of wages executed by the  
17                  applicant.

18                  ~~(H)~~ (12) Permit an applicant to sign a promissory note or negotiable  
19                  instrument in an amount exceeding the appropriate fee plus legal interest or  
20                  evidencing a legal interest in excess of twelve percent per annum.

21                                   \*           \*           \*

22                  F. In addition to the penalties provided for in R.S. 23:108, any person found  
23                  by the director to have violated the provisions of Paragraph (C)(3) of this Section  
24                  shall personally be liable for a fine of not less than five hundred dollars or more than  
25                  fifteen hundred dollars per violation.

26                                   \*           \*           \*

1           §113. Violations of provisions; penalty  
2                   A person who acts as an employment service without a license as provided  
3           in this Part shall be ~~guilty of a misdemeanor punishable~~ punished by a fine of not less  
4           than fifty nor more than ~~five hundred~~ one thousand dollars per violation, by  
5           imprisonment for not more than six months, or both.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE

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GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_